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ABSTRACT

Recommendations by task forces at the Appalachian Balanced Growth and Economic Development Conference in 1977 to the Appalachian Regional Commission (ARC) resulted in ARC's adoption of six resolutions which are listed in this supplement. Specific recommendations were made under the following resolution headings: (1) legislation for a national system of regional commissions; (2) continuation of the Appalachian Regional Development Program; (3) energy production and impacts, with attention to natural resources, economic development, and environment; (4) policy for promoting growth in small cities and rural communities, urging changes in Federal program provisions which constrain rural development in areas such as sewer and water projects, air quality standards, standards for emergency medical vehicles and health clinics, and property standards affecting new housing mortgage insurance; (5) land development and housing, human services programs (health, child development, basic education, vocational and technical training), and timber resources and agriculture; and (6) private sector participation in regional development. (RS)

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APPALACHIA:
Goals, Objectives and Development Strategies

SUPPLEMENT 1: RESOLUTIONS
Adopted December 1977

RC010552

WHAT IS ARC?

The Appalachian Regional Commission (ARC) is composed of the Governors of the 13 states that comprise Appalachia and a federal cochairman who is appointed by the President. A states cochairman is elected from among the Governors, the position is rotated among the states. The Commission's staff of about 110 persons is headed by an executive director.

For many years, Appalachia, despite its rich natural resources, has suffered from chronic economic and social distresses: isolation; a lack of transportation to counteract its inaccessibility; boom-and-bust cycles of prosperity and poverty; unemployment; inadequate public facilities; a lack of social services. The Commission was established by Congress in 1965 as a means of relieving these distresses and thus of building a better economy and a better quality of life for Appalachia and its inhabitants.

ARC represents a unique experiment in cooperative development and in American government. The Commission's development program is the largest and most diversified effort of its kind ever undertaken in the United States. And ARC itself is a unique partnership of federal, state and local government.

This partnership is the key to the way in which ARC does business for Appalachia. A development program or a specific project proposal can be brought before the Commission only by a state: no projects can be initiated at the federal level. All formal approvals of state investment programs require the affirmative vote of a majority of the Commission's member states and the federal cochairman.

A basic element in the ARC partnership is local participation in the Commission's development program. To assist local planning and to ensure that ARC funds are used to serve local communities, the Commission, through its member-states, works with areawide planning and development agencies, known as local development districts (LDDs). Each LDD has a board, consisting of elected officials and public representatives of several counties, and a professional staff. Both work with the local citizenry to assess local needs, to determine local priorities and to prepare local development plans based upon those needs and priorities.

The primary goals of the Appalachian program include:

- **providing every person living in the Region with the health and skills needed to compete in everyday life wherever he or she chooses to live**
- **attracting new industry and manufacturing to the Region, thus providing more jobs and a more diversified economic base.**

To accomplish these aims, Appalachia must have an adequate transportation system, community facilities (sewer, water and solid waste disposal systems, housing and related amenities), schools and hospitals and must take advantage of its rich natural resources without harm to the environment. The Commission's investments are therefore in these specific areas:

transportation; energy, environment and natural resources; health and child development; enterprise development; education; research and technical assistance; community facilities and housing.

WHAT IS APPALACHIA

Appalachia, as defined in the legislation from which the Appalachian Regional Commission derives its authority, is a 195,000-square-mile region that follows the spine of the Appalachian Mountains from southern New York down to northern Mississippi. It includes all of West Virginia and parts of twelve other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia.

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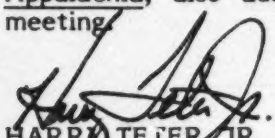
Washington, D.C.
1978

FOREWORD

The Appalachian Regional Commission's (ARC) regional plan process includes regionwide conferences which recommend policies to the Commission for its consideration. On October 27 - 29, 1977, the ARC sponsored the Appalachian Balanced Growth and Economic Development Conference in Charleston, West Virginia. At its conclusion, the conference task forces presented recommended actions to the Commission. At its December 8, 1977 meeting, the Commission adopted resolutions drawing on the conference recommendations and stating Commission policies.

The policies in the resolutions are an important product of the Commission's regional planning process and complement the policies presented in Goals, Objectives and Development Strategies for Appalachia, also adopted at the December 8, 1977 Commission meeting.



HARRY TEITER, JR.
Executive Director

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APPALACHIAN REGIONAL COMMISSION

RESOLUTION 450 Recommending the Establishment of a National System of Regional Development Commissions

Section 1. Recommendation of Legislation for a National System of Regional Commissions. The Commission recommends the enactment of legislation implementing the propositions set forth below:

(1) A national set of regional organizations is needed for shared decision making between the federal, state and local governments, communities and the private sector. Such mechanisms are necessary because the solutions to many growth and development problems require joint exercise of federal, state and local powers and full cooperation and participation on the part of private interests.

(2) All sections of the United States are not the same. Each region of the nation faces its own peculiar problems of growth and development. Therefore, development programs in each region must be designed to address the special problems and potentials of that region.

(3) The Appalachian Regional Commission, and regional commissions established under Title V of the Public Works and Economic Development Act, have provided highly useful experiences in shared decision making. The nation should use this experience in the establishment of regional commissions throughout the United States.

(4) While the boundaries of all existing commissions may not be appropriate for future needs, the delineation of the regions should be a cooperative undertaking. The states should have the responsibility for recommending the territory to be included with the final decision subject to federal approval.

(5) Regional commissions so established should have the following basic purposes:

(a) To provide a regional structure for coordinated federal, state, substate and local decision making and development program administration and to provide an entry point for state and local governments to participate in the formulation of national growth and development policy. They should also concentrate on planning and policy development, identifying major national and regional problems, monitoring the impact of federal programs and policies and advocating desirable policies.

(b) To assure sound economic growth and development throughout the nation, by dealing with specific and pressing physical, economic and social problems and opportunities such as impact of energy production, economic lag, geographic barriers or a shortage of essential resources.

(6) The administration of the regional development commissions must be coordinated through the Executive Office of the President. Among other considerations, this placement will assure that policy and funding decisions are in accord with regional and state plans and policies. This function should not be vested in a cabinet department because the concerns involved will span the jurisdiction of all but a few cabinet agencies. Past experience clearly indicates the inability of one cabinet department to coordinate the activities of others.

(7) Each member state of a commission should be required to prepare multiyear development plans and programs that give consideration to priorities submitted to them by local governments and their development districts. These state plans for each region would contribute to multiyear regional plans and investment strategies to be submitted to the President and Congress for consideration in appropriating funds and evaluating the performance of the commissions. Federal and state funding

agencies should recognize the funding strategies of these regional and state plans and policies. Local governments and their development districts would assist the states in coordinating areawide development programs and projects.

(8) The regional commissions and all levels of government should formalize citizen participation in their development planning and decision-making process. In establishing planning requirements for federal grant programs, Congress and federal agencies should develop standard public participation requirements.

(9) Regional commissions must have authority to provide flexible funding and a sufficient level of funds to have an impact on the economic development process. Appropriations to regional commissions should be based in part upon indicators of present or emergent economic distress and should also provide for discretionary targeting on special problems and opportunities.

(10) The President, working with the regional commissions, should continually assess and report biannually to the Congress upon the growth and development of problems and opportunities in each of the major regions of the United States.

(11) Provisions must be made for the orderly transition of existing regional commissions.

(12) Intent of this resolution is to develop a major role for the states in the development of administrative regulations and the allocation of national economic development funds. This strong state involvement is essential in providing the flexibility and efficiency needed for more effective national economic development. These principles must guide whatever approach is eventually chosen by the nation.

Section 2. The Executive Director shall prepare draft legislation consistent with this resolution for consideration by the Commission.

APPALACHIAN REGIONAL COMMISSION

RESOLUTION 451 Recommending the Continuation of the Appalachian Regional Development Program

Section 1. The Need for Continuing the Appalachian Regional Development Program. Since 1965 the Appalachian Regional Development Program has demonstrated that it is possible for the federal and state governments to work together in a process of shared decision making to promote the long-term development of the Appalachian Region. The Congress has supported the Appalachian Regional Commission as a development and special demonstration agency which can provide flexibility in initiating action, respond promptly to needs and opportunities, and serve as a catalyst and a coordinating mechanism in the Region. Much has been accomplished, but portions of the Region still contain some of the poorest people of the nation, and many areas of the Region have been bypassed by development. The means for correcting these problems must continue to be provided. In addition, the Region now faces a new challenge as its coal resources are called on to help meet the nation's energy crises.

Section 2. Recommendations.

(1) We recommend continuation of the Appalachian Regional Commission and its programs. We recognize the need to pay special attention to the emerging small cities and urban centers, areas impacted by energy development, and the disadvantaged and hard-to-reach people throughout all of the Region. We also consider it urgent to provide for completion of the Appalachian Development Highway System at the earliest possible time.

(2) We recommend the following amendments to the Appalachian Regional Development Act.

(a) Provide means for completion of the Appalachian Development Highway System by the close of FY 1986.

(b) Extend the life of the Appalachian Regional Commission and its nonhighway programs to the close of FY 1983, subject to such

modifications as may be determined appropriate within the framework of any national set of regional commissions that may emerge.

(c) Authorize an expanded energy-related demonstration program of direct financial assistance by the Commission that includes programs and projects addressing the social, economic and environmental impacts of energy development, production and utilization which includes conservation.

(d) Expand the Commission's authority to provide assistance for economic development including small agricultural enterprises in the Region by modifying present restrictions on enterprise development activities in the Act and by authorizing a program of site acquisition and development grants directly by the Commission that would encourage new opportunities for community development, housing and industry.

(e) Authorize a program of direct demonstration grants by the Commission to help develop systems and techniques to assure the meeting of human services needs of people in the more remote and hard-to-reach areas of the Region.

Section 3. Implementation. The Executive Director shall prepare draft legislation consistent with this resolution for consideration by the Commission.

APPALACHIAN REGIONAL COMMISSION

RESOLUTION 452 Relating to Energy Production and Energy Impacts

Section 1. Recognition of the Region's Commitments and Problems. The Appalachian Regional Commission reaffirms its commitment to help the nation achieve an acceptable level of energy independence. We recognize:

That the nation must necessarily turn once again to Appalachia's coal and other energy resources in the Region in order to achieve an acceptable level of energy independence;

That Appalachia's rich natural resources have been exploited to fuel the nation's industrial growth in the past without enabling its people to fairly share in the nation's resultant prosperity and without meeting the problems of an environment scarred by intensive mining activity;

That sustaining the massive acceleration in coal production needed in the Region will require the development of roads, rail, housing, schools and other community facilities and programs; that the price of coal and other energy resources should reflect the full socioeconomic costs of production and use; and that Appalachia must not be forced to accept a disproportionate share of the costs;

That regional long-range economic development and diversification cannot be obtained by energy policies based on zero growth;

That in the long run there is a need to develop renewable energy resources in order to husband and protect the nonrenewable energy resources of this nation and the world; and

That future plans affecting the environment of the Region must reflect that natural resources are limited and the environment is fragile and the nation's need for coal production creates added pressures on the Region's natural resources, environment and its people.

Section 2. Recommendations and Actions.

(1) The Commission recommends that:

(a) The Department of Energy should immediately initiate all feasible action to accelerate development of the technologies to permit optimum use of high-sulphur coal without unacceptable damage to the environment or unreasonable costs.

(b) The potential of existing hydroelectric generating plants, including their potential for conversion to pump storage faciliities, should be utilized.

(c) The Department of Energy should support ARC efforts to develop fully the potential of Devonian shale gas, coal seam methane and wood waste as competitive energy sources.

(d) Except in extraordinary situations, environmental standards and regulations should not be relaxed to meet national energy needs. The standards should be uniform to protect the public's health and safety.

(e) The U. S. Department of Energy, with the Council on Environmental Quality and the Environmental Protection Agency, should evaluate carefully the policy of clustering nuclear power plants and their transmission lines for their cumulative environmental impact.

(2) With specific regard to problems created by the impact of increased coal production in Appalachia, the Commission recommends that:

National energy impact legislation be passed promptly to provide states and localities with planning and financial assistance to help them meet the social and economic demands placed upon them by increased energy production.

(3) In view of the urgency of immediate action, we call upon the States' Cochairman and the Federal Cochairman to distribute this resolution to the President, the

Secretary of the Department of Energy, the appropriate Congressional Committees, the United Mine Workers, the Bituminous Coal Operators Association and the National Coal Association. At the earliest possible date the States' Cochairman and the Federal Cochairman should meet with the Secretary of the Department of Energy and others to begin to implement this resolution. The Commission requests that the Appalachian Governors present these findings and recommendations to the President when they attend the White House Conference on Coal Production.

APPALACHIAN REGIONAL COMMISSION

RESOLUTION 453 Recommending Policy for Promoting Growth in Small Cities and Rural Communities

Section 1. New Growth in Small Cities and Rural Communities and Areas. Changing settlement patterns have resulted in new growth in small cities and rural communities and areas. A national policy of balanced growth must take account of these emerging settlement patterns.

Section 2. Recommendations. The Commission, therefore, recommends that federal policy on balanced growth and economic development require that federal funding criteria and allocation systems of federal agencies assure that funds and programs be equitably available to achieve the implementation of state development strategies for small cities, rural communities and rural areas, as well as for major urban centers.

More specifically, we urge necessary changes in federal program requirements and allocation formulas to provide equity and relevance for rural America and small communities by modifying provisions which constrain development in rural areas such as those illustrated by the following:

(1) Unequal cost-sharing provisions for urban and rural communities. For example, the Farmers Home Administration's program of grants to small communities in rural areas for sewer and water projects requires up to 50 percent in local matching whereas the HUD program, which is not widely available to the smaller communities in Appalachia, provides up to 100-percent funding for sewer and water line projects. The disparity is heightened in the case of treatment facilities. While the Enviornmental Protection Agency's program of grants for treatment facilities provides a uniform percentage of 75 percent, the priorities for construction so emphasize the larger population centers as effectively to make them unavailable to most small communities. These small communities must then turn to the less favorable cost-sharing program of the Farmers Home Administration.

(2) Federal minimum property standards for housing and subdivisions required for new housing mortgage insurance impose urban standards which are unrealistic in mountainous rural areas such as Appalachia;

(3) Zero degradation air quality standards which, when rigidly applied in presently rural areas, effectively foreclose development;

(4) Federal standards for emergency medical service vehicles require such elaborate and expensive vehicles that they can neither be afforded or used in the less well-to-do, rugged rural areas where they are so badly needed.

(5) Health clinic building and equipment standards for federal assistance which place unrealistic costs on small communities and rural areas, where as reasonable, effective and safe alternatives can be developed.

APPALACHIAN REGIONAL COMMISSION

RESOLUTION 454 Proposing Policies and Recommendations Concerning Land Development and Housing, Human Services Programs and Timber Resources and Agriculture

Section 1. Land Development and Housing. The Commission finds that the limited availability of land for development and housing in Appalachia is a major constraint to balanced growth and economic development in the Region and recommends, encourages and resolves to support the following actions by the states and communities in the Region:

(1) The revision and improvement of land taxation policies, the use of eminent domain when necessary and the application of mine reclamation practices to maximize the availability of land for housing and community development.

(2) Identification and use of properly located reclaimed surface mine sites for community development purposes in areas with limited suitable land.

(3) The identification of sites to be mined that are appropriate for mountaintop removal in order to create well-located buildable sites when needed for community development in accord with locally conceived plans.

(4) Early cooperation between communities and coal operators in the development of reclamation plans for mountaintop removal sites to be used for community development.

(5) The creation of revolving funds providing low-interest loans to public agencies, nonprofit organizations and limited-dividend groups for the acquisition and improvement of land essential to balanced growth and economic well being.

(6) Use of existing Commission and other program authorities to carry out and stimulate home weatherization and energy conservation and rehabilitation programs in the Region.

Section 2. Human Services Programs. The Commission finds that the constraints of mountainous terrain, dispersed population, isolation and absence of suitable tax bases in many rural areas in the Region are preventing the provision of adequate human services in many parts of the Region. Based on the experience of the Commission's demonstration programs for the delivery of human services programs in rural areas of the Region, the Commission recommends:

(1) That the Department of Health, Education and Welfare adopt the following policies for rural areas throughout the Nation:

(a) Federal financial assistance for health should place emphasis on providing basic health services, including primary health care, and funding of construction and equipment should be deemphasized and limited to cases of special need.

(b) Federal financial assistance for child development and day care programs should be extended to provide for working lower income families;

(c) Federal financial assistance for education should emphasize basic education programs such as reading, guidance and counseling, adult education and continuing education, and the funding of construction should be deemphasized and limited to cases of special needs;

(d) In the development of vocational and technical training programs, only those programs and facilities that clearly demonstrate, through relevant data and specific job availability projections, that jobs are likely to exist for the graduates of such training should be funded; and

(e) Regional telecommunication programs should be expanded to provide education, information and training to people in hard-to-reach areas.

(2) That the Bureau of Labor Statistics of the U. S. Department of Labor should continue to develop more accurate measures of the unemployment problem including measures of underemployment and hidden unemployment.

(3) That, in the area of social service and job development:

(a) Efforts should be undertaken (e.g., through the institution of tax changes) to facilitate employment of the handicapped, disadvantaged, and other persons unable to secure jobs; and

(b) Consideration should be given to the support of craft industries.

Section 3. Timber Resources and Agriculture The Commission finds that the Region is rich in timber resources which offer a potential for recreation and economic development. There is also a potential for increasing the economic importance of agriculture. These resources must be both protected and better managed to realize their full potential. Therefore, the Commission recommends that:

(1) The U. S. Forest Service work with this Commission and the Appalachian states to explore the possible needs for improved regulation of mining in national forests and state forests and parks;

(2) Continued use be made of the multiple-use concept of the management of national and state forests. Priority should be given to such uses as soil conservation, watershed management, wildlife habitat, diffuse recreation and slow-growth hardwood forests;

(3) Appropriations be increased for the forestry incentives program under which the U. S. Forest Service assists in the costs of reforestation and timber stand improvement on private lands;

(4) The U. S. Forest Service conduct experiments on uneven-age timber management systems and methods of timber culture suitable to small-scale management units; and

(5) The U. S. Department of Agriculture should expand its programs of assistance, such as under its authority in the Rural Development Act, to support the development of small agricultural and timber enterprise activities, including production and marketing cooperatives, development of economically feasible agricultural and timber products suited for small farming and timbering operations and special technical assistance programs to small farm and small wood lot operations.

APPALACHIAN REGIONAL COMMISSION

RESOLUTION 455 Recommending Private Sector Participation in the Regional Development Process

Section 1. Recognition of the Need for Private Sector Participation. In a free enterprise system, the basis of a sound economy is the availability of employment in private enterprise. Active private sector participation and involvement in public policy development can create an atmosphere of mutual trust within which desirable initiatives can be taken. Such participation can promote predictability and stability in such important areas as taxation and regulations affecting business, thus the public and private sectors can effectively contribute to economic and community development and stability.

The opportunity for private sector participation can be provided in a number of ways during the formulation of policy, during its implementation and in assessing performance in order to make necessary adjustments and changes. Representation on decision-making and advisory boards and public hearings are among methods of providing such participation.

Section 2. Recommendations. To further the objective of private sector participation in the development planning process, the Appalachian Regional Commission adopts as policy guidelines and recommends that:

(1) All levels of governments, including regional commissions and development districts, should provide for private sector participation in the development planning and decision-making process. Effective planning for development for the creation and retention of jobs must recognize the role of the private sector and the private sector must fulfill its responsibility to furnish, in a timely manner, information necessary to assist public bodies in development planning and, to the maximum extent possible, make available such expertise and assistance as these bodies may require in their efforts.

(2) Consideration should be given to private sector representation on policy and advisory boards, technical committees, public meetings or forums. All public agencies should provide concise, understandable and timely communication to the public of plans, laws,

ordinances and regulations as part of an overall effort to provide effective methods to inform the public and obtain responses. Public decisions that impinge upon private investment should be made in a timely manner.

(3) The solution of labor-management problems is of critical importance to economic development. The establishment of state and local joint labor-management councils should be encouraged to provide a forum for the discussion of labor-management problems.

APPALACHIAN REGIONAL COMMISSION

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